

# New Dealer Requirements Checklist

## □ Applicant Requirements:

- The applicant must have a \$25,000 surety bond in the name of the dealership that has been issued within 30 days of your initial application submission to our office. This bond must be maintained for the first 3 years of operations. (Form-DSD-2)
- You must also provide the name of your dealer-operator at the time you submit your application. See *Dealership Employee Requirements* below.

## □ Location Requirements:

- The dealership location must be either owned or leased by the applicant.
- The location cannot be a residence.
- Your location must have space to accommodate the display of 10 vehicles.
- A certificate of zoning (Form-DSD-19) must be obtained from the locality in which the dealership resides. This certificate must be issued within 30 days of your initial application submission to our office.
- The location must have 250 square feet of permanently closed office space for exclusive use by the dealership. The office space must include a desk, chairs, filing cabinet(s), a working telephone in the name of the dealership, working utilities (to include electricity) and provisions for space heating.
- A dealership sign with no less than 6-inch lettering must be visible on the dealership location.

## □ Operation Requirements:

- Prior to opening, the dealership must have a Board-approved buyer's order printed that shows the dealership name, address, and telephone number.
- A dealership must be opened at least 20 hours a week. Ten (10) of those hours must be between the hours of 9:00am and 5:00pm, Monday through Friday.
- Liability insurance must be obtained and maintained for each dealer plate issued.

## □ Dealership Employee Requirements:

- A qualified dealer-operator is required for each dealership. This individual must be identified as the dealer-operator at the time of your dealership licenses application submission to our office. The dealer-operator applicant must successfully complete the dealer-operator's portion of the *Dealer-Operator and Salesperson's Test* administered by any Department of Motor Vehicles (DMV) Customer Service Center (CSC).
- The dealer/owner and the dealer-operator will be automatically approved to purchase temporary tags. You may authorize additional employees to purchase tags by submitting Form-DSD-42 to the DMV or by using the E-Transaction system after the dealership has opened. See *details on other side*.
- Each dealership salesperson must be licensed by the Board, employed by the dealership, and may not be classified as a "1099 independent contractor." Individuals must successfully complete the salesperson portion of the *Dealer-Operator and Salesperson's Test* administered by any DMV CSC.

**NOTE:**      *The Dealer-Operator and Salesperson's Test* is administered at your local DMV customer service center for a \$25.00 fee.

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## Required Applications:

- DSD - 2, Bond Application
- DSD – 7, Application for Salesperson License(s)  
Application for Dealer-Operator and Salesperson Test
- DSD – 9, Application for Dealer Plates (you are eligible to receive up to 4 times the number salespersons employed)
- DSD – 10, Motor Vehicle License Application for Initial License or Renewal
- DSD – 19, Certification of Zoning Compliance
- MVDB – 21, Criminal History Check Data Form(s)

All forms are available for printing from our agency website. See our web address below.

## Required Fees:

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| • Dealer Certificate  | \$200 |
| • Motor Vehicle Transaction Recovery Fund<br>Paid annually for the first 3-years of operation | \$250 |
| • First 2 Dealer Plates   | \$40  |
| • Additional Dealer Plates (each)   | \$15  |
| • Dealer-Operator/Salesperson's Test  | \$25  |
| • Salesperson's License (each)  | \$20  |
| • Salesperson Motor Vehicle Transaction Recovery Fund<br>(each salesperson)                   | \$10  |
| • Criminal History Background Check (each)  | \$15  |

## The Motor Vehicle Dealer Board Recommends:

- You visit our website at <http://www.mvdb.virginia.gov/> for additional, pertinent and code section information.
- While at our website, sign up for electronic (email) issues of our newsletter DealerTalk and other emailed information notifications.
- Become a DMV On-Line Dealer to perform many of your DMV-related dealer transactions from the comfort of your office. Visit <http://www.dmv.state.va.us/webdoc/pdf/dmv25.pdf> for more information and sign up contacts.
- Sign up to perform renewals, temp tag purchase authorization, and other important MVDB dealer transactions with E-Transactions from the comfort of your office...It's FREE! Contact Janet Williams at (804) 497-7191 for more details or go to <http://www.dmv.state.va.us/webdoc/pdf/US531e.pdf> and complete a sign up form!